



Indiana

Economic Development Corp[®]

State Budget Committee

December 14, 2022

Indiana
Economic Development Corp®

Bradley B. Chambers

*Secretary of Commerce
State of Indiana*

Indiana native

Entrepreneur at heart

Answering the call to serve

Casting a bold, aspirational vision for Indiana



ENVIRONMENT

ECONOMY OF THE FUTURE

ENTREPRENEURSHIP

ENERGY TRANSITION

EXTERNAL ENGAGEMENT



**Strategic
Vision**

2022 REVIEW



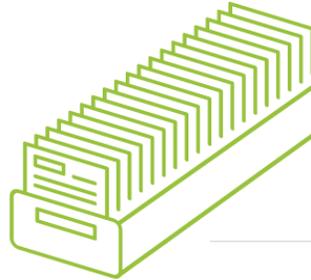
2022
YTD

NEW CAPEX
\$22B+

(260% increase year over year)

PROJECTS

218



PAYROLL

\$1.7B+



AVERAGE HOURLY WAGE

\$34.71

(compared to
\$25.12 state)



EXPECTED NEW JOBS

24,059

2022 INDIANA GLOBAL ECONOMIC SUMMIT

REGISTRANTS

944

30% International
33% U.S. (non-Indiana)
30% Indiana

SPONSORSHIP DOLLARS

\$1.24M

EARNED MEDIA VALUE

\$14.9M

29 International
DELEGATIONS
Attended

STARTUP GENOME 2022
GLOBAL STARTUP ECOSYSTEM REPORT

Global Top 40 Emerging Ecosystem
North American **Top 15** Ecosystem in Affordable Talent
North American **Top 20** Ecosystem in Bang for Buck
North American **Top 25** Ecosystem in Funding



NEW INDUSTRIES | **Semiconductors** | **EV/Energy**

2022 Accepted Deals Highlights

Broad Statewide Impact

- ▶ 53% of counties had an IEDC investment
- ▶ \$11B of investment occurred in rural/mixed rural counties, \$11B in urban counties

Highlights

- ▶ Announcement of Elanco and Corteva new global headquarters based in Indiana
- ▶ Lilly—\$2.1B CapEx, 504 jobs
- ▶ Skywater—\$1.8B CapEx, 750 jobs
- ▶ MediaTek—30 high-paying jobs to establish a microelectronics ecosystem in West Lafayette
- ▶ Stellantis/Samsung SDI—\$2.5B CapEx, 1,400 jobs

2022 Toolkit

The 2022 legislative session expanded and modernized the IEDC's toolkit.

Increased
Flexibility

Innovation
Development Districts

BPI
Augmentation

And the market has responded in unprecedented fashion.

State Budget Committee

David Rosenberg

Chief Operating Office and Chief of Staff

Robert Paglia

Senior Vice President and Chief Administration Officer

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BPI Augmentation

Legislature provided \$300 million for deal closing and additional programming.

SUCSESSES

The FY23 BPI augmentation directly led to nearly \$6 Billion of capex investment in 2022, creating a competitive ROI. The fund also created new investments in entrepreneurship, marketing, talent attraction, international flights and redevelopment.

CHALLENGES

Funding for deals became extremely limited early in the fiscal year, limiting the amount of funds that could be committed to other economic development investments/initiatives.

Why is the FY 2024-25 request needed?

- ▶ The IEDC has over \$100 Billion in potential deals in future focused, high-wage industries.
- ▶ The BPI augmentation needs to grow to meet the demands of the market and the pipeline of economy of the future focused opportunities that are in the works.
- ▶ Less than halfway through this fiscal year, we have encumbered or committed over 80% of the BPI Augmentation due to the demands of the market.

BPI Augmentation

July 1, 2022 thorough June 30, 2023	
\$300m Cash - SB 361	Encumbered/Committed Funds
Business Development Investments	
Fusion	\$ 125,000,000.00
Skywater	\$ 20,000,000.00
Rolls Royce	\$ 2,700,000.00
Mars	\$ 35,000,000.00
Green Cow	\$ 35,000,000.00
Development/LEAP (infrastructure, utilities, roads, land)	\$ 20,000,000.00
Business Development Investments Subtotal	\$ 237,700,000.00
Additional Economic Development Programming	
Entrepreneurship	\$ 40,000,000.00
Marketing	\$ 15,000,000.00
Population Growth (talent attraction, flights, etc)	\$ 7,300,000.00
Additional Economic Development Programming Subtotal	\$ 62,300,000.00
Total	\$ 300,000,000.00

BPI Augmentation

ENTREPRENEURSHIP

1. Ecosystem Development

2. Entrepreneur Support

- ▶ Innovate WithIN
- ▶ Small Business Development Center
- ▶ Economy of the Future accelerator support (bioscience, mobility, semiconductors, defense, EV)

3. Early Capital

- ▶ Manufacturing Readiness Grants
- ▶ Innovation Vouchers and INTAP

4. Innovation

- ▶ Pursuit of federal funding (ME Commons, Hydrogen Hub, Tech Hub, CHIPs)
- ▶ Semiconductors – K-12 training and pursuit of mega projects

Strategic Sites & Infrastructure

State budget committee allocated \$240M to strategic site priorities

SUCSESSES

The IEDC worked with OMB and State Budget Agency to obtain \$76M for GM Stamping Plant/Elanco and \$164M for land purchases and infrastructure improvements for the Eli Lilly \$2.1B investment at LE/AP Lebanon.

CHALLENGES

Lack of a dedicated site acquisition fund added competing priorities through State Budget Committee.

Why is the FY 2024-25 request needed?

A dedicated site acquisition and infrastructure fund will be more transparent from the beginning and will allow the IEDC to:

- ▶ Purchase additional land and complete infrastructure improvements necessary for continued development of LE/AP Lebanon;
- ▶ Establish additional strategic sites in the state to expand the success of this program to other geographic areas and future focused industries.

Indiana Strategic Sites Initiative

SPEED IS NEW INCENTIVE

- ▶ Deals used to take 18-24 months to be approved; now decisions are made in less than 6 months.
- ▶ High-wage, high-growth companies looking for sites that are ready for construction.
- ▶ Competition remains high in this space as other states have already made investments in strategic sites (Ohio, Michigan, Tennessee, North Carolina, Texas, Georgia, etc.).
- ▶ As per SB 361, local officials will retain influence over land use related decisions.

Vision for LE/AP Lebanon

High-wage, economy of the future innovation district

- ▶ Bio Life Sciences
- ▶ Microelectronics
- ▶ AgBioScience / AgTech
- ▶ Industry Annual Average Wage \$95,000+

Research and Development Labs and Space

Beautiful aesthetics

- ▶ Sustainably developed
- ▶ Streams
- ▶ Large setbacks
- ▶ Tree-lined roads

Agriscience on site (Purdue University research)

Center for Excellence and Training

On-site amenities

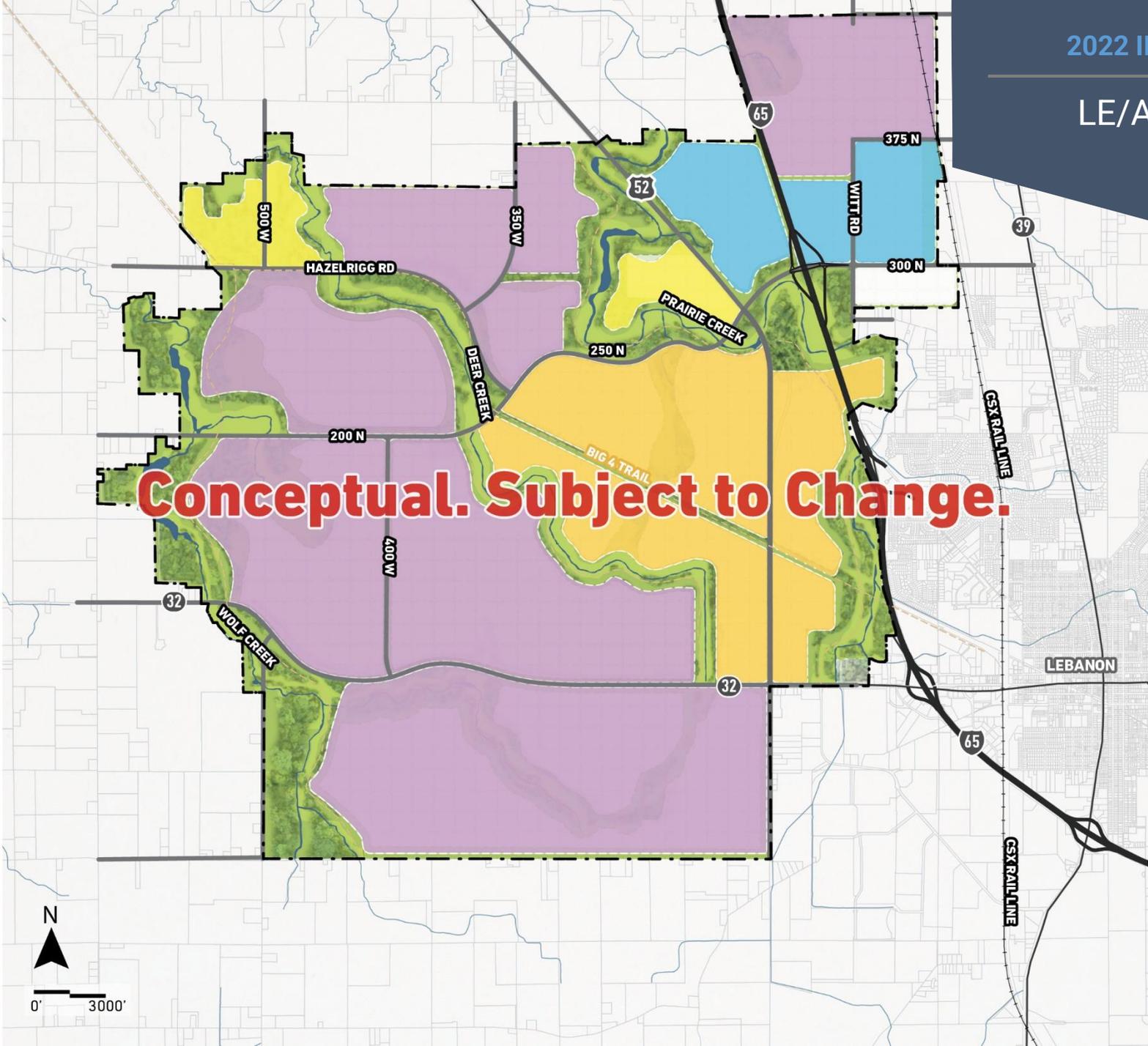
Long-term utility solution for entire region

Potential Land Use

Conceptual. Subject to Change.

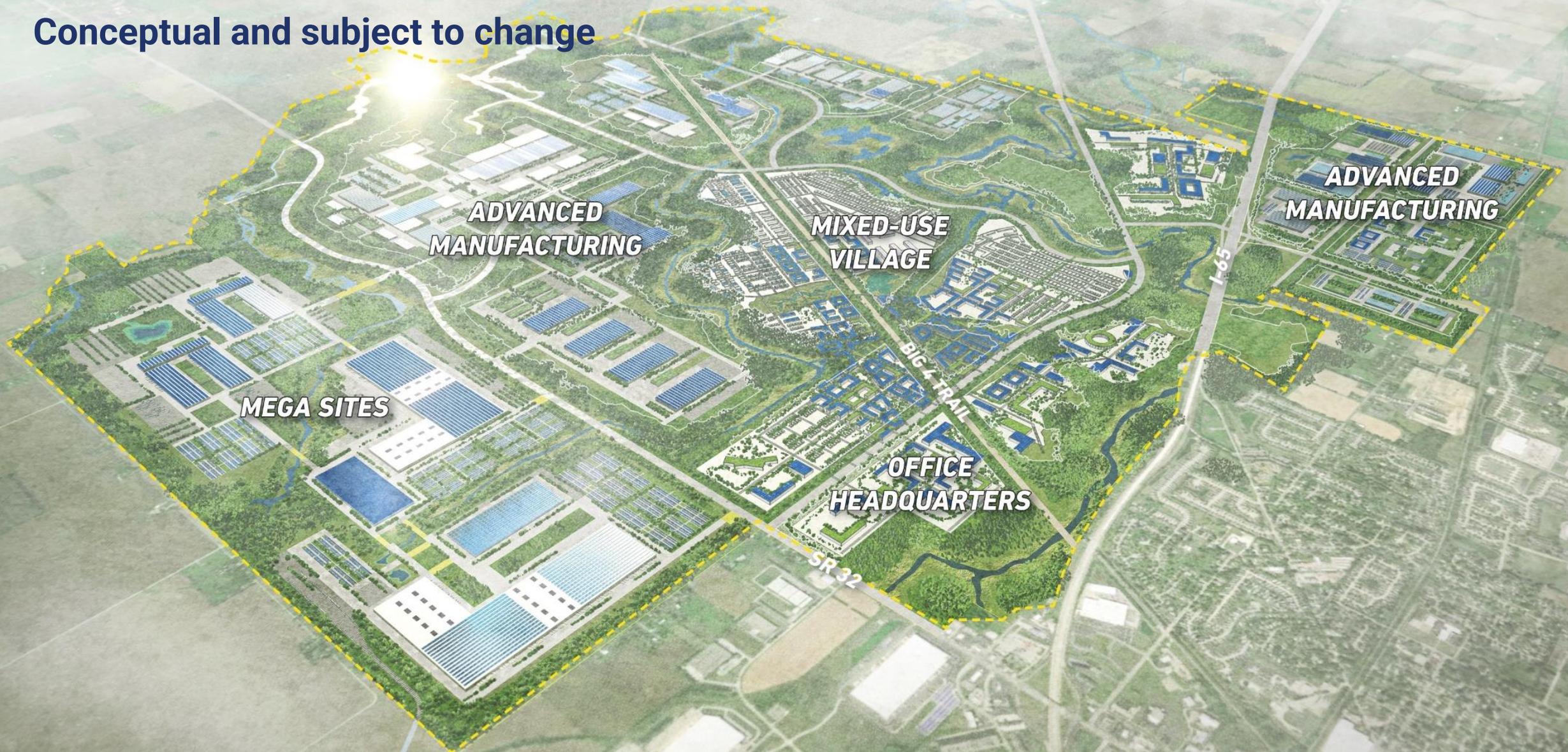
LEGEND

- Mega Site
- Advanced Manufacturing
- Mixed-Use/Village Center
- Renewable / Green Energy
- Office HQ /
Research & Development



BIRDS EYE RENDERING

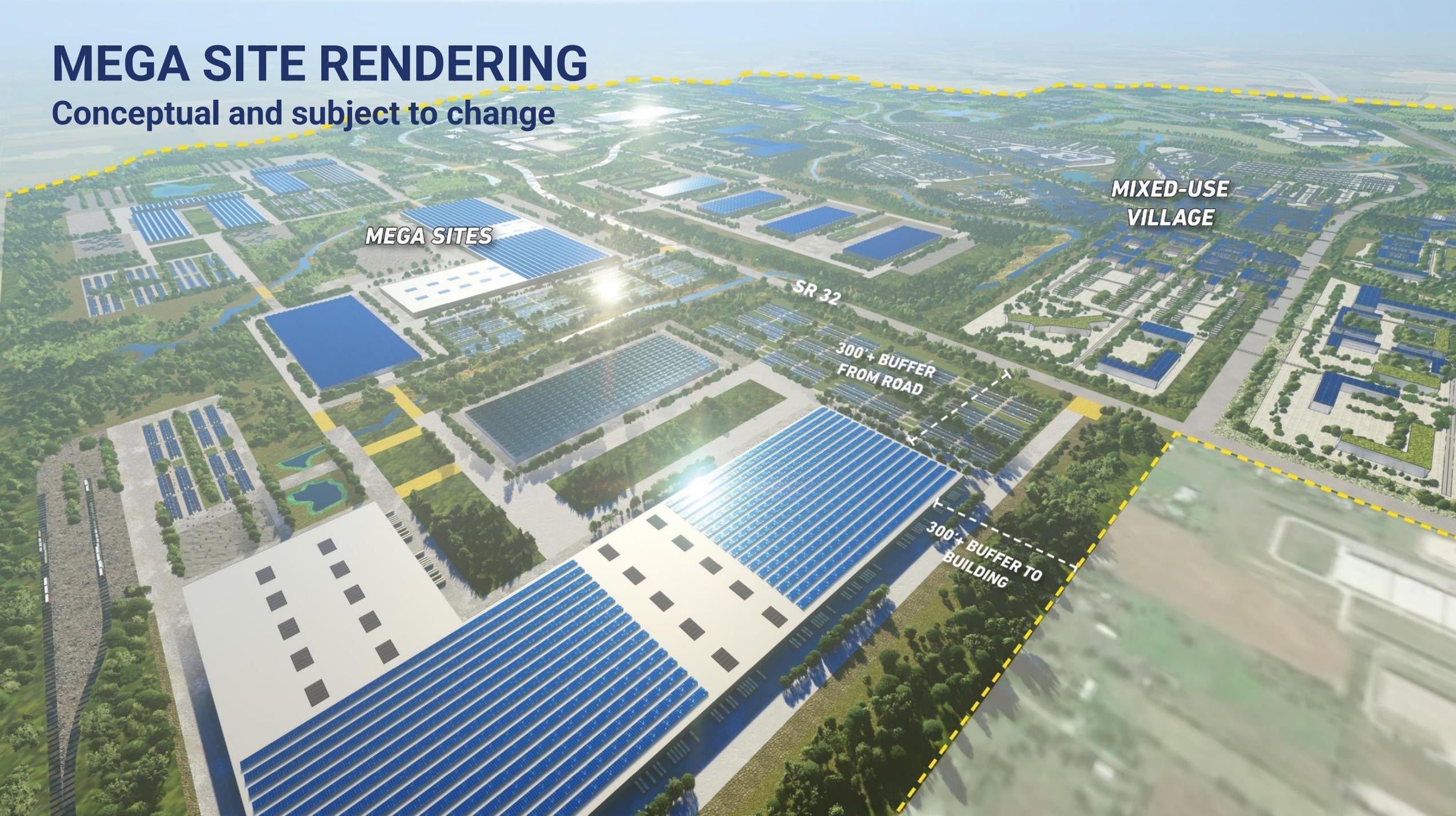
Conceptual and subject to change



LEBANON

MEGA SITE RENDERING

Conceptual and subject to change



MEGA SITES

MIXED-USE
VILLAGE

SR 32

300'+ BUFFER
FROM ROAD

300'+ BUFFER TO
BUILDING

MIXED USE VILLAGE CHARACTER RENDERING

Conceptual and subject to change



READI 2.0

Legislature's \$500 million investment was implemented for the 17 regions.

SUCCESSSES

READI led to unprecedented regional collaboration. Currently, there are \$414M worth or READI requests in the portal leveraging a total project investment of \$6.922B.

Why is the FY 2024-25 request needed?

A READI 2.0 investment will continue to accelerate investment in communities to attract and retain talent and workforce to the state.

- ▶ The state received nearly \$1.5B of READI funding requests in READI 1.0. It is clear the demand and support is there for additional funds and investments in our cities and towns.

Through December 12, 2022



STATUS AS OF DECEMBER 12, 2022

- ▶ \$414M of READI requests have been submitted for 269 projects throughout the state, representing all 17 regions
- ▶ These projects represent roughly \$6.922B in total investment.
- ▶ The 269 projects represent a 15.72 leverage ratio

PROJECT HIGHLIGHTS

- ▶ Kokomo Convention & Conference Center & Hotel (North Central)
- ▶ Nexus Park (South Central)
- ▶ Indoor Sports Park (Accelerate Rural Indiana)
- ▶ McKinley-Whitley Live Learn Neighborhood (East Central)
- ▶ Tolleston Opportunity Hub (Northwest Indiana)
- ▶ The Meadows at Parkview Housing (Indiana First)
- ▶ The Mill Music Venue (Wabash River)
- ▶ EmployIndy Apprenticeship Model (White River)
- ▶ Sellersburg Family Scholar House (Our Southern)
- ▶ Lil Patriots School (Southeast Indiana)



Manufacturing Readiness Grants

Invested \$10M into Manufacturing Readiness Grant program.

FY23

Invested \$10M, creating a 7:1 match from private investment and leads the way for Manufacturing 4.0.

- ▶ Since program's inception in 2020, received over 400 applications and 212 awards have received \$17.4M in grant funding leading to \$138.9M of private investment in 60 counties.

Why is the FY 2024-25 request needed?

Demand remains strong, unlocks private investments, and allows companies to automate for additional growth.



Manufacturing Intensity by County





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